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SPECIAL FEATURES

Credit Protection —

If you are financing your crop production, crop insurance can be a real advantage. Credit is easier — and often cheaper when you can guarantee repayment of your loan by assigning right of indemnity from your crop insurance — just as one assigns insurance rights on his property to a mortgagee.

Tax Advantages —

Crop insurance premiums can be claimed as an operating expense on your income tax return.

Stage Adjustments —

Crop insurance provides for a farmer to follow the same good management he would if he was uninsured. Although the insurance is based on a guaranteed production, it is recognized that a farmer may wish to tear up a crop without harvesting if it is badly damaged. For example, if a crop of wheat is badly winter killed, the grower would normally tear it up in the spring and plant something else. If the crop is insured, the grower simply contacts the Commission to obtain a release of this acreage, and a loss is settled at 30% of the guaranteed production. Similarly, if a crop is severely damaged before harvest and is not worth harvesting, a stage adjustment can be made for the total guaranteed production, less the cost of harvesting.

Continuous Contract —

Your crop insurance contract continues automatically from year to year, unless you wish to cancel between seasons.

**THE CROP INSURANCE
COMMISSION OF ONTARIO,
Parliament Buildings, Toronto 5, Ontario.**

Crop Insurance

*protects you
against the
hazards of
a bad year —
the weather,
plant disease
and insects.*

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THE CROP INSURANCE COMMISSION OF ONTARIO
Parliament Buildings, Toronto 5, Ontario

Farming is a risky business...

...and for most good farmers, the crop production picture looks something like the chart above.

In contrast, crop yields vary — depending largely on the weather. Some years are good. Some are bad. Most are a mixture of good and bad. But a 'bad year' can put you in a deep, dark, financial hole — when crop yields are down because of natural hazards which you can't control — and you are faced with still higher costs to start again the next year.

There have been farmers who never made it out of that hole — but now, no farmer need run the risk of having a 'bad year' where crop yields won't cover costs. Crop insurance guarantees production.

How does it work?

The money you invest on seed, fertilizer, sprays, etc., is to produce bushels of crop. Crop insurance guarantees you enough bushels to pay for your production costs.

For most crops, insurance guarantees you a percentage of your average farm yield. There are different levels of coverage available on different crops, and these are detailed in the 'Deadlines' section on the other side of this page. If your crop is damaged — by bad weather, insects or plant disease — and your production falls below the guaranteed amount, crop insurance makes up the difference. Your costs are covered and your investment is protected.

■ CROP YIELDS
■ CROP COSTS





QUESTIONS & ANSWERS

Do I have to insure all my crops?

No. You may choose to insure one crop and not another (e.g. your corn and not your beans). However, you must insure all your acreage of any one crop, i.e. if you have 100 acres of corn — it must all be insured. The idea is to give a *total* guaranteed production on your *total* crop at as low a cost as possible.

If a crop is damaged — how is the amount of loss calculated?

The Crop Insurance Commission has trained adjusters, who are farm people, familiar with the type of crop they are adjusting. If a crop is damaged, the adjuster measures the amount of production from the damaged crop and the total acres insured. He then compares the production per acre with the guaranteed production. If the actual production is below the guaranteed production, a claim is paid for the difference.

When should a crop loss be reported?

As soon as the damage occurs. You should not wait until the crop is harvested. You should report the loss as soon as it happens.

Do good farmers pay the losses for poor farmers?

Because management is such an important factor in crop production, some farmers are bound to have losses more often than others. Just as poor drivers have more accidents than good drivers. However, crop insurance compensates the good manager in two ways:

- (1) He is entitled to a higher guaranteed production.
- (2) His premium rates are reduced up to 25% over a 5-year period.

Is crop insurance good value?

You be the judge on this question. The Federal and Provincial Governments share 100% of the administrative costs of the program, plus 30% of the premium. Would you not say this means good value to the buyer?

Am I eligible for crop insurance?

If you are a farm operator in Ontario, you are eligible to insure the crops you grow.

Are there any restrictions on my cropping program if I insure?

Crop Insurance does *not* cover losses directly due to poor management. The only cropping restrictions for insurance purposes are related directly to management.:

- (1) Unlicensed varieties or varieties that are too late maturing for an area are not insurable.
- (2) There is a seeding deadline for each crop (see details below).
- (3) Crops sown on land unsuitable for crop production are not insurable.

What crops are insurable and what's covered?

See section below for details.

What does it cost?

This pamphlet was prepared for use all over Ontario. Rates vary from area to area, crop to crop, and between coverages. Your local agent will give you details.

Is there an application deadline?

Yes. See section below. Look under individual crops for details.

DETAILS & DEADLINES

GRAIN CORN Apply by May 1st.

Insured Perils — Drought, excessive moisture, excessive rainfall, flood, frost, hail, insect infestation, plant disease, wind and wildlife.

Coverage — 50% or 70% of your Average Farm Yield.

Final date for application — May 1st.

Final date for seeding — These differ and we ask you to contact your Crop Insurance agent.

CORN SILAGE Apply by May 1st.

Insured Perils — Drought, excessive moisture, excessive rainfall, flood, frost, hail, insect infestation, plant disease and wind.

Coverage — 70% of the insurable yield.

Final date for application — May 1st.

Final date for seeding — June 15th.

SOYBEANS Apply by June 1st.

Insured Perils — Drought, excessive moisture, excessive rainfall, flood, frost, hail, insect infestation, plant disease and wind.

Coverage — 70% of your Average Farm Yield.

Final date for application — June 1st.

Final date for seeding — June 20th.

WHITE BEANS Apply by June 1st.

Insured Perils — Drought, excessive moisture, excessive rainfall, flood, frost, hail, insect infestation, plant disease and wind.

Coverage — 45% or 70% of a combination of the Area Average and your Average Farm Yield so that after the fifth year you will be insured at your actual Average Farm Yield.

Final date for application — June 1st.

Seeding Dates — Between May 20th and June 25th.

SPRING GRAIN Apply by May 1st.

(Oats, Barley and Mixed Grain)

These are all insured under one plan. If Oats are insured, Barley must be also insured etc.

Insured Perils — Drought, excessive moisture, excessive rainfall, flood, frost, hail, insect infestation, plant disease and wind.

Coverage — You may choose between 60% or 80% of your Average Farm Yield.

Final date for application — May 1st.

Final date for seeding — May 25 (Southern Ontario)
June 5 (Northern Ontario)

APPLES Apply by April 1st.

Insured Perils — Drought, excessive moisture, spring frost, fall frost, unavoidable pollination failure, off crop due to adverse weather, freeze injury and severe wind.

Coverage — The coverage you receive is based on your own production experience over the past six years. The premium rate you pay also depends on your own past experience. A choice of premium rate is open to you. Maximum coverage is 80% of your Average Farm Yield.

Added Feature — This plan provides

quality insurance if the crop is damaged by hail or wind.

Final date for application — April 1st.

POTATOES Apply by May 1st.

This plan is for Late Potatoes, i.e., not harvested before August 15th in Essex and Kent, and September 1st in the remainder of the province.

Insured Perils — Drought, excessive moisture, excessive rainfall, flood, frost, hail, insect infestation, plant disease and wind.

Coverage — 60% of the Area Average Yield.

Final date for application — May 1st.

Final date for planting — June 1st — Essex and Kent
and June 15th — remainder of province.

FORAGE Apply by May 1st.

Insured Perils — Drought, excessive moisture, excessive rainfall, flood, frost, hail, insect infestation, plant disease and wind.

Coverage — 70% of the insurable farm yield computed in tons of hay equivalent.

Final date for application — May 1st.

Final date for seeding corn for silage — June 15th.

WINTER WHEAT

Insured Perils — Drought, excessive moisture, excessive rainfall, flood, frost, hail, insect infestation, plant disease, wind and winter-kill.

For more information with respect to coverage, final date for application etc., please contact your agent.

PROCESSING TOMATOES

Insured Perils — Drought, excessive moisture, excessive rainfall, flood, frost, hail, insect infestation, plant disease, sunscald, wind and abnormally cool weather.

Coverage — 50% or 70% of your Average Farm Yield as determined from records with the Vegetable Growers' Marketing Board. For further information, please contact the processor with whom you have a growers contract.

GREEN PEAS FOR PROCESSING

Insured Perils — Drought, excessive rainfall, excessive moisture, flood, frost, hail, insect infestation, plant disease and any other adverse weather condition.

Coverage — Shall not exceed 80% of the Average Plant Yield. For further information, please contact the processor with whom you have a growers contract.

SWEET CORN FOR PROCESSING

Insured Perils — Drought, excessive rainfall, excessive moisture, flood, frost, hail — and any other adverse weather condition — insect infestation, plant disease, wildlife.

Coverage — 50% or 70% of the Average Farm Yield. For further information, please contact the processor with whom you have a growers contract.